

Waiver Request

June 12, 2019

Innovative Dynamic Networks
SPIN#: 143029400
CCF030812016
Docket No 02-6
Schools and Libraries Program

To Whom It May Concern:

Innovative Dynamic Networks, 610 6th St., Racine WI, is seeking a waiver of the window of time allotted for a service provider to submit invoices to the Universal Service Administrative Company (USAC) for services provided to a client under an E-Rate funding grant in the 2017 funding year.

Below you will find the basis for our request to exceed the invoicing deadlines for Innovative Dynamic Networks' contract with the Council for the Spanish Speaking Inc. (Centro Hispano Milwaukee), 614 W. National Ave., Milwaukee WI 53204. We ask you to allow Innovative Dynamic Networks to submit invoices totaling \$12,332.82 to be paid for work performed throughout the granting period. Our request is based on the following:

1. In November of 2015, Karina Benitez, acting on behalf of the Council for Spanish Speaking Inc (Billed Entity: 17003545), filed an FCC Form 471-Funding Year 2016 under FRN #1699013544 and application #161008591. The funding request was for Category 2 services for basic maintenance of internal connections for 7 separate Milwaukee-area sites operated by the Council (Appendix A).
2. The Council accepted a total bid of \$100,260 -- \$8,355 monthly recurring eligible costs -- from Innovative Dynamic Networks to perform the work over a two-year period, from July 2016- July 2018. The Council entered into a service contract with Innovative Dynamic Networks specifying those details in April 2016 (Appendix B).
3. Somewhere along the line, Ms. Benitez apparently became confused. She created another Application #160025645 for the same Category 2 basic maintenance of internal connections for the same 7 sites for 2016-2018 on a "2nd 470 Form" (Appendix C) with a service agreement linked to it that names Innovative Dynamic Networks as the provider. Innovative Dynamic Networks was unaware of this second filing and does not know what service agreement is linked with it since the company only signed one with The Council for this work. While it doesn't appear that the filing goes anywhere, it complicates this case, as you will see.
4. Although Innovative Dynamic Networks never received any formal notification in writing from The Council or USAC, Ms. Benitez contacted Innovative Dynamic Networks by telephone in July 2016 to say the funding had been reduced to

\$4,464/month instead of the agreed upon \$8,355. She was going to inquire about the decision and seek more information. Rather than lose payment for services altogether, Innovative Dynamic Networks began performing the work and invoicing The Council at the new amount provided by Ms. Benitez while it awaited some kind of confirmation or solution to the discrepancy from USAC, which Ms. Benitez said she was seeking. From July 1, 2016 through December, 2016, Innovative Dynamic Networks provided monthly maintenance services at the Council's 7 sites under the service agreement that they signed in April 2016. Innovative Dynamic Networks began to invoice The Council for the \$4,464 as it awaited a resolution to the discrepancy.

5. On December 12, 2016, USAC notified The Council that it had modified the FRN#1699013544 "from a one-time charge of \$100,260 to a one-time charge of \$4,464 (Appendix D). This modification was obviously in error. Services had been provided under this FRN for \$8,355/month for six months by the time USAC issued this modification. In addition, the Category 2 work associated with the FRN was for monthly basic maintenance of internal connections, a monthly recurring charge. It was never for a one-time charge. The total service agreement under the original FRN was for \$100,260, with \$85,221 coming from USAC and \$15,039 from The Council. The Council notified Innovative Dynamic Networks that some mistake had been made. Invoicing was delayed in the interim it would take The Council to straighten out the error with USAC.
6. Ms. Benitez filed an appeal #29764 (Appendix E) on December 27, 2016, pointing out the discrepancy.
7. Somewhere along the line, another Form#35855 associated with the original FRN#1699013544 that names IDN the service provider for maintenance and was certified on Feb. 9, 2017 – 8 months after the original service agreement began. We have no idea what this Form refers to, but we think it may have helped complicate matters. When we searched for the record, we received an error message (Appendix F).
8. For months, invoicing was suspended as The Council and Innovative Dynamic Networks awaited some kind of decision or clarification from USAC. Meanwhile, basic maintenance still was a necessity at the 7 sites that served children in The Council's programs, and Innovative Dynamic Networks performed the work.
9. Innovative Dynamic Networks lived up to the service agreement in the interim. It wasn't until August 23, 2017 – 13 months after the service agreement began – that USAC modified the funding, without explanation, to \$65,842.80 yearly and a monthly recurring charge of \$5,386.90, monthly reduction from the originally approved bid, reducing the total service agreement from \$100,260 to \$65,842.80 (Appendix G). Not only did Innovative Dynamic Networks find out officially that funding had been reduced at this late date, but now we realize we were also under billing, using the \$4,464 monthly charge

that Ms. Benitez had said received approval instead of the \$5,486.90 monthly charged that was actually approved.

10. But in issuing its amended funding commitment, USAC also linked it to the “2nd Form 470” and Application#160025645 (Appendix H).
11. To complicate matters, on December 28, 2017 – 18 months after the initial service agreement began – USAC notified Innovative Dynamic Networks that Ms. Benitez had canceled the contract for basic maintenance services in Funding Year 2017 – **six months** after services had already been rendered to The Council sites for the 2017 funding year (Appendix I).
12. Attached are invoices that were made to The Council and USAC for payment during this very confusing timeframe. In the end, The Council paid \$12,052.80 thus far. USAC has paid one invoice of \$3,794.40 and most recently payments all together totaling \$55,966.38 granted under Revised Funding Commitment Decision Letter for funding year 2016 (Appendix J).

As is evident by the course of events that is laid out above and the documentation attached in the Appendices, Innovative Dynamic Networks feels it has been unjustifiably mistreated in the handling of this E-Rate Funding grant for basic maintenance services, and at the very least deserves a waiver be granted for the opportunity to submit invoices for the 2017FY. To be fair, IDN feels USAC should honor the same monthly amount for the remainder months of the 2017FY from Sept.2017 to December 2017 which during this time Innovative Dynamic Networks provided services since USAC nor The Council notify us that the contract had been canceled. That amount would be \$12,332.82.

First, this E-Rate grant was complicated and confused by Ms. Benitez, who submitted duplicate applications and Forms for the same service work. Innovative Dynamic Networks believes these duplications caused the errors and confusion of the funding rates and required Innovative Dynamic Networks to halt regular submission of invoices as Ms. Benitez attempted to straighten things out with USAC.

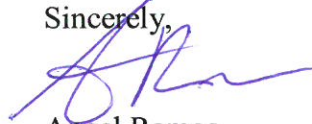
Then, USAC completely confused matters. It converted what was to be a \$100,260 service contract for recurring services and recurring charges into a one-time \$4,464 funding commitment. What’s more, it issued this change in error without explanation six months after the service agreement began. And then, USAC took more than a half-year to fix the error – during which time invoicing was suspended. When USAC finally did “fix” its error, it came back with a funding commitment modification that was \$34,417.20 less than the agreement that was entered nearly TWO YEARS before its decision. That adjustment came without explanation.

Lastly, to top things off, The Council struggled with finances to pay its portion of the service agreement in the final months of the service agreement, again delaying invoicing within a required window.

For all of these reasons, Innovative Dynamic Networks feels that it has been unjustly treated in this funding contract, and at the very least requests a waiver in order to submit the remaining invoices for payment from USAC as it deserves. These invoices total \$12,332.82. A summary of these invoices, the invoices themselves and payments received from The Council and USAC to date constitute Appendix J.

Innovative Dynamic Networks is seeking a prompt decision of the waiver request and quick resolution to its quest for fair payment of services rendered under this E-rate funding grant. It has taken numerous hours to research and sort out all that has created this error-ridden case in order to receive fair payment for its work. We look forward to hearing from you soon.

Sincerely,



Angel Ramos

President

Innovative Dynamic Networks